

Farmers Home Administration Washington D.C. 20250

FmHA AN No. 1379 (1941)

March 24, 1986

SUBJECT: Use of Form FmHA 441-10,

"Nondisturbance Agreement" or Similiar Agreements

TO: All State Directors, Farmer Program Chiefs,

District Directors, and County Supervisors, FmHA

## PURPOSE/INTENDED OUTCOME

The purpose of this AN is to set forth the policy on use of Form FmHA 441-10 or similar agreements. The intended outcome is to assure a uniform policy for processing requests for nondisturbance agreements.

## IMPLEMENTATION RESPONSIBILITIES

Form FmHA 441-10 or similiar agreements will not be used to make farm operations cash flow unless farm budgets show that the operations cash flow both during and after the nondisturbance period. Such agreements must be considered on the same basis as deferrals, i.e., a plan must show that the borrower can service all debt at the end of any nondisturbance period. Nondisturbance agreements will not be used to carry on a "continuation policy".

We encourage the use of the authorities contained under FmHA Instruction 1903-A, Voluntary Debt Adjustment, in conjunction with and/or in lieu of nondisturbance agreements.

VANCE L. CLARK Administrator

EXPIRATION DATE: November 30, 1986

FILING INSTRUCTIONS: Preceding

FmHA Instruction 1941-A